

NORTHERN COUNTIES LAND USE COORDINATING BOARD
Minutes
Thursday, March 6, 2008
Iron Range Resource Center, Chisholm, MN

Call to Order: The meeting was called to order at 9:30 a.m. by Chairman Fink with the following in attendance. (All actions of the Board were supported unanimously unless otherwise indicated.)

Member Counties Present:

Commissioner Brian Napstad, Aitkin
Commissioner Jim Johnson, Cook
Commissioner Charles Lepper, Koochiching
Commissioner Wade Pavleck, Koochiching
Commissioner Scott Larson, Lake
Commissioner Todd Beckel, Lake of the Woods
Commissioner Ken Moorman, Lake of the Woods
Commissioner Don Jensen, Pennington
Commissioner Skip Swanson, Pennington
Commissioner Dennis Fink, St. Louis
Commissioner Mike Forsman, St. Louis

Counties Not Represented:

Roseau County

Others Present:

Bob Krepps, St. Louis County Land Commissioner
Craig Engwall, Department of Natural Resources
Richard Lehtinen, Koochiching County Environmental Services Department
Scott Dane, Associated Contract Loggers and Truckers
Brandon Krogh, Minnesota Power
Terry Stone (resident, Koochiching County)
Marv Ott (resident, Itasca County)
Robert McElfrick (resident, Itasca County)
W. R. Ann (resident, Northome)
Kristin Larson (resident, St. Louis County)
Elanne Palcich (resident, St. Louis County)
Douglas Skrief, NCLUCB Staff

Introductions

Agenda Additions

- 1) Comm. Napstad, Mining update in Aitkin County, under Local
- 2) Comm. Fink, Forest Legacy Bill, under State
- 3) Comm. Fink, Wetland Credits, under State
- 4) Comm. Jensen, Bovine TB update, under Local
- 5) Comm. Beckel, information on PILT, under State
- 6) Comm. Beckel, WACA Rule Making, under State
- 7) Comm Forsman, Proposed State Park, under Local
- 8) Craig Engwall, comments on Shoreland Rules update from DNR as time allows
- 9) Scott Larson, Wildfire Mitigation
- 10) Terry Stone, Lynx critical habitat handout and comments

Administrative Actions

1. Approval of Minutes:

February 7, 2008 meeting

m. Napstad s. Lepper

2. Financial Report:

The Treasurer reported a general fund balance of \$76,883.98 which includes \$30,000 in 2008 dues receipts. The Land Use Conflict Management balance is \$15,005.28. Total accounts balance: \$91,889.26.

m. Napstad s. Beckel

The Chair noted that St. Louis County is set to pay dues. Comm. Beckel noted Roseau County's membership may be terminated.

3. Bills: The Executive Director submitted an invoice for \$1369.60 Professional Services and expenses.

m. Forsman s: Jensen

4. Status of Land Use Conflict Management Fund

The Chair reported that the Conflict Resolution Project Final Report has been located and copies are available for distribution. Deb Pile, who oversaw the project, is set to sign off on the final report. The State Auditor will be requested to make a specific recording to move the fund from a liability account to the general account.

Correspondence

The Board noted receipt of a letter from Marshall County announcing its termination of membership on the Northern Counties Land Use Coordinating Board.

Discussion Issues

LOCAL

1) Shoreland Standards: Planning Committee Appointments:

The Board will await communication from the DNR and Mr. Engwall before formalizing by letter the appointment of Comms. Napstad and Pavleck. Comm. Beckel may serve on a separate geographic/regional committee with Comm. Larson serving as an alternate.

Comm. Napstad will attend the March 27 organizational meeting in Monticello. Comm. Pavleck will also plan to attend.

2) Mining in Aitkin County: Comm. Napstad reported a presentation to Aitkin County about new mining leases on 3,600 acres bordering Aitkin and Carleton Counties for industrial minerals. Lease dollar apportionment remains a question for the county. As buildings are permitted by leases, the county raised questions over local zoning. Questions over wetlands were not fully answered. The designation of Responsible Governmental Units and jurisdiction remains an issue. Comm. Napstad voiced concern over potential administrative demand at the county level and low financial returns to the county.

Comm. Forsman reviewed St. Louis County experience, noting that plans developed by mining companies and governmental agencies have included development and resource amenities. Mr. Engwall suggested that John Engesser of the DNR Lands and Minerals Division might address the board to respond to general questions, to which the Board expressed interest.

3) Bovine Tuberculosis: Comm. Jensen reported a concern in the northwestern part of the state over Bovine TB, found in 2005, which has led to a drop in state herd designation to "Modified Accredited." Suggestions of regional separation of the state have been put forward, to which Pennington County has written resolutions in opposition. Taking care of the problem may involve depopulation of the deer herd, which has been controversial.

Comm. Beckel announced plans for discussions among the USDA, the DNR and the Board of Animal Health. The Chair asked that the Board might be addressed by a point person as the discussion develops.

PRESENTATIONS

Minnesota Regional Haze Plan: Brandon Krogh, Senior Chemical Engineer of Minnesota Power, and a representative to the CENRAP, the central states regional planning board, addressed the Board concerning Minnesota's Draft Regional Haze State Implementation Plan, reviewing the history of the Regional Haze Plan and its relevance to the BWCAW and Voyageurs National Park. The goal is to return visibility in these and 154 other Class I areas to natural conditions by 2064. Comments on Minnesota's plan are due April 16.

Mr. Krogh reported that as proximity of contributors is the largest factor in haze creation, Minnesota Power has installed controls at its plants and that it sees no threat from the plan to the production of electricity. By addressing the Clean Air Mercury Rule of 2006 and CAIR, the company has concurrently addressed Nitrous Oxide and Sulfur Dioxide issues. The goal of 2018 of 30 percent reduction should be met.

In response to questions, Mr. Krogh reported that Minnesota Power is continuing with coal operations in North Dakota and, in response to the 2025 renewables mandate, wind units in Minnesota. Biomass options are also being considered. He noted sources not controlled, such as in Canada, are accounted for in the formulas, and that the cleanest air days occur when winds come from Canada.

Lynx Critical Habitat Designation: Mr. Terry Stone, an independent legislative analyst, presented to the board a review of some aspects of the February 2008 proposed rule for the Revised Critical Habitat for the Contiguous United States Distinct Population Segment of the Canada Lynx, which includes all lands east of Highway 53 in Minnesota. He drew especial attention to rough economic impact analyses included in the report.

Mr. Krepps noted that a significant change from the previous plan was that Superior National Forest is now included in the designated area. The Board considered that the four counties involved might comment individually, expressing different aspects of the effects of the proposal. Input of the Minnesota State Biologist would be appropriate and as well as input from MNDOT.

Comments deadline is April 28.

Associated Contract Loggers and Truckers of Minnesota: Mr. Scott Dane, Executive Director of ACLT, reported large reductions in production of forests in the past 20 months and that members of his organization are not making a profit. Counties, the State of Minnesota and federal representatives have helped with policy statements and legislation. Timber sales revenue has dried up. He hoped for his members' economic survival until the opening of new markets, such as for wood briquettes, sustaining logging and trucking capacity that in turn supports the wood products industry.

He invited members to a March 14 presentation by Jim Skurla on economic models and to the ACLT Annual Meeting April 8 in Fortune Bay. Mr. Dane was invited to address the Board quarterly.

STATE

State Park on Lake Vermilion Update: Comm. Forsman announced that he would be testifying on a proposed 2500-acre state park on Lake Vermilion lakeshore now owned by U. S. Steel. The question remains as to a source of funding and bonding options that do not pull from other resources. The local township stands to lose \$36,000 in tax payments. Proposed private development of the property would put 115 houses on the site and add \$450,000 to St. Louis County tax rolls.

NACo Appointment: The Chair thanked Comm. Jim Johnson for his appointment to the NACo steering committee for public lands. The Chair encouraged more such appointments.

PILT: Comm. Beckel distributed a list of PILT payments broken down by counties for the information of Board members.

FEDERAL

NACo National Conference: The Chair reported:

1) The Task Force on Clean Water amendments proposed by Rep. Oberstar met and had significant NACo staff attendance. NACo President Eric Coleman asked if the Task Force could rewrite the bill to make it palatable. The Chair invited comments, noting that the task force may consider language on rule writing, public input and period of input.

2) Other resolutions coming before the Environment Land Use and Energy committee included Carbon Tax and Cap and Trade schemes being developed in Congress as they relate to CO2 emissions. A resolution came up in opposition to cap and trade. Cap and trade reductions would affect northern Minnesota.

3) Acquisition of Land by the Department of the Interior in relation to Indian purchases. The American Indian Reorganization Act of 1934 authorizes the Department of the Interior to put lands in trust that are acquired outside of reservations. These private lands are no longer on county tax rolls. The Chair instructed Board members to consult with assessors, auditors and Indian Reservations to see what is

happening in individual counties. Examples affecting counties and townships were presented by Board members.

OTHER

Wetland Legislation: The Chair reported introduction of state legislation to gain credit for preserved wetlands using a conservation easement. The House passed a bill for the 80 percent counties that went to the floor. Sen. Saxhaug is carrying the Senate side. The Board of Water and Soil Resources is supportive. A rule-making committee will be created afterward. There may be a need for use of Federal government guidelines for some credits.

Forest Fragmentation: Mr. Engwall reported that State bonding bills would be in legislative conference the following week including bills to provide Forest Legacy dollars. The Governor and Senate asked for \$9 million and the House zeroed it out. If funds are zeroed out, the proposed acquisition of 75,000 acres in Koochiching County would be affected and time for rule writing would be expanded.

Sale of Public Land Bill: Mr. Engwall reported on a bill sponsored by southern Minnesota legislators to sell one million acres of state land to raise \$1 billion for road construction. Complements were exchanged on relationship between the DNR and NCLUCB. The Chair added that overtures to other agencies will be promoted once the legislative session ends.

Meeting adjourned at 12:12 p.m.

Next Meeting Date and Location

April meeting: April 3, 2008, 9:30 a.m. Senior Center, Northome, MN.

Respectfully submitted by Douglas Skrief, Administrator and Exec. Dir.